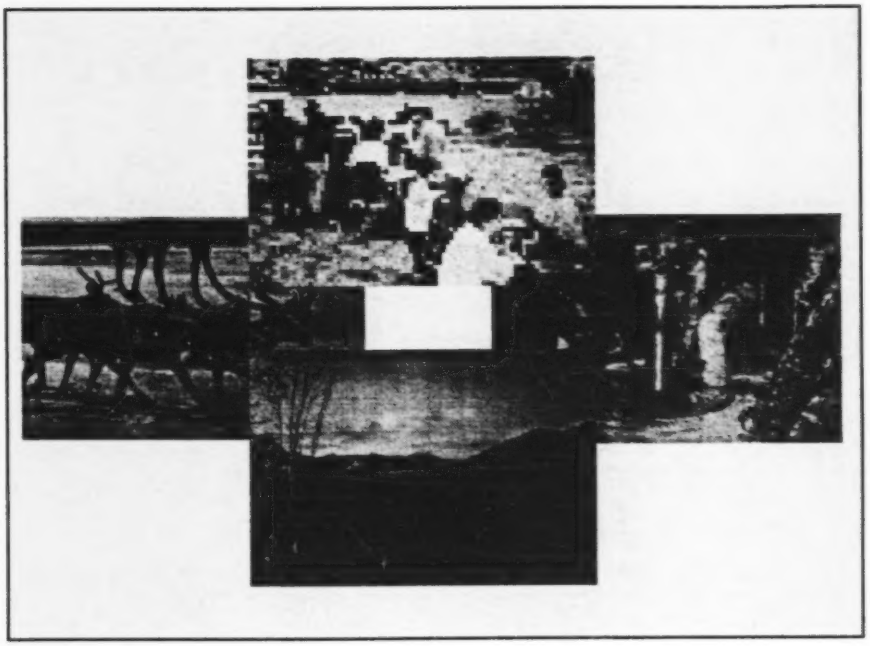
SECURING OUR FUTURE



Government of the Northwest Territories' Response to
the Economic Strategy Panel
"Common Ground" Strategy
December, 2000

Minister's Message

The Honourable Joseph L. Handley
Minister of Resources, Wildlife
and Economic Development

I am pleased to present the Government of the Northwest Territories' response to the *Common Ground* Economic Strategy Panel report.

Since receiving the *Common Ground* report from the Panel co-chairs in June, 2000, we have distributed it to communities, interest groups, federal, territorial and Aboriginal governments, and to provincial counterparts for feedback.

The response has been that the Panel's report provided a comprehensive and insightful view of the Northwest Territories economy, the issues we face, and clear direction to address those issues. The Government of the Northwest Territories accepts the *Common Ground* strategy as the basis for action in the key sectors and issues it deals with. The recommendations have already provided the economic focus for our business planning process. It has also served as the basis for development of our non-renewable resource strategy.

Common Ground also reflects direction related to economic development contained in *Towards A Better Tomorrow, the 14th Assembly Caucus' vision*. It truly represents "common ground" that we as a government, along with Aboriginal governments, industry, and interest groups can work towards. I am confident it will remain a key planning document for our government, and the basis for continued actions to develop our economy for the benefit of all Northwest Territories residents.

Although our response is constrained by current fiscal circumstances, our responses to recommendations point to ways of addressing those constraints.

I would like to again thank the panel members for their hard work and commitment. I am confident that we can move forward in the same spirit of cooperation and partnership that produced the *Common Ground* strategy, and secure our economic future.

Securing Our Future

Government of the Northwest Territories' Response to the Economic Strategy Panel's *Common Ground* Strategy

In 1998, the GNWT published *Agenda for the New North*. The foreword of that report stated:

> "We are proposing an Agenda for the New North to encourage discussion among all Northerners. The Agenda is based on a suggested vision of the Northwest Territories as a place where Northerners come first; where we are well educated and healthy; where all Northerners enjoy an improved quality of life; and where we work together to build a strong future."

To achieve this vision, the GNWT committed to action in five areas:

1. Getting Governance Right
2. Sharing Control of Northern Resources
3. Restructuring our Fiscal Relationship
4. Harnessing our Economic Potential
5. Improving our Social Well-Being

The Economic Strategy Panel was established in June, 1999 by the Minister of Resources, Wildlife and Economic Development, the Honourable Stephen Kakfwi, as the means to define a strategy towards achieving this vision. The Panel represented a cross-section of economic interests including the federal and territorial governments, regional Aboriginal governments, industry and other groups with an interest in, or impacted by, economic development.

The Economic Strategy Panel reviewed economic and related issues essential for economic development to take place, effectively addressing all five areas in the Agenda for the New North. The *Common Ground* recommendations provide specific actions to be pursued to achieve our common vision.

On March 31, 2000, The Fourteenth Legislative Assembly Caucus released its framework to provide broad strategic direction to the Government of the Northwest Territories, entitled *Towards a Better Tomorrow*.

That document outlined four priorities for the next four years of this government:

1. Self-reliant individuals, families and communities, working with governments, toward improving social well-being

2. Better governance through partnerships

3. A northern-controlled economy that is balanced, diversified, stable and vibrant

4. Adequate resources helping all levels of government to become more self-reliant in meeting the needs of the people they serve

In June, 2000, the Panel presented its strategy titled, *Common Ground* to the Minister of Resources, Wildlife and Economic Development, Joseph L. Handley. The strategy was tabled in the Legislative Assembly at that time. Minister Handley made a commitment on behalf of the Government of the Northwest Territories to formally respond to the recommendations of the Panel. *Securing Our Future*, provides that response.

Many of the *Common Ground* recommendations will help to achieve the goals outlined in *Towards a Better Tomorrow*. However, because *Common Ground* covers a wide range of issues, not all recommendations are aimed at the Government of the Northwest Territories. The federal government, Aboriginal governments, communities and industry are all part of the solution. The same spirit of partnership that the panel embodied will be required to carry out the recommendations.

The Government of the Northwest Territories has responded to all recommendations, recognizing that lead responsibility may not always be with the GNWT. In areas where the GNWT is not the lead, the response indicates actions the GNWT will take in support of the recommendation.

Limited funding is an issue that constrains the GNWT response to specific recommendations. Investments are needed now to ensure we participate in and benefit from development. The Non-Renewable Resource Development Strategy was developed to highlight the need for immediate funding and to focus efforts in this key sector. The Government of the Northwest Territories will continue to actively pursue realization of this strategy through negotiations with the Government of Canada, by pursuing partnerships with other stakeholders, and by seeking support for our positions from other jurisdictions. Areas where additional funding is required to fully respond to the recommendations and achieve the Legislative Assembly's goals are noted in the responses.

GLOSSARY OF ACRONYMS

AHRDA	Aboriginal Human Resource Development Agreements
BCC	Business Credit Corporation
BIP	Business Incentive Policy
CRTC	Canadian Radio and Telecommunications Commission
DCN	Digital Communications Network
DIAND	Department of Indian Affairs and Northern Development
DOT	Department of Transportation
ECE	Department of Education, Culture, and Employment
FMBS	Financial Management Board Secretariat
GNWT	Government of the Northwest Territories
HSS	Department of Health and Social Services
HRDC	Human Resources Development Canada
IGF	Intergovernmental Forum
MACA	Department of Municipal and Community Affairs
MOU	Memorandum of Understanding
NRRDS	Non-Renewable Resource Development Strategy
NWTAM	Northwest Territories Association of Municipalities
NWTHC	Northwest Territories Housing Corporation
POP's	Persistent Organic Pollutants
PWS	Department of Public Works and Services
RWED	Department of Resources, Wildlife and Economic Development
STATS BUREAU	Department of Finance, Bureau of Statistics
WKSS	West Kitikmeot Slave Study

Recommendation 1:	Develop a greenhouse gas strategy in the North that will help northern residents to address and reduce causes of global climate change. The strategy should tie into the national program.
Department(s):	RWED
Response:	In 1998, the GNWT committed to developing a strategy to control northern greenhouse gas emissions in recognition of the potential impacts of these emissions, especially on the Northwest Territories. Public consultation has been initiated and a draft strategy and action plan will be submitted to Cabinet for review. The strategy development process also assists in contributing a northern perspective to Canada's national strategy process while identifying actions that can be taken in the North to reduce greenhouse gas emissions and to begin to adapt to climate change impacts. The Department has established several long-term monitoring sites that will provide information on environmental changes resulting from climate change for the national databases. Current wildlife and wildlife habitat research programs will also provide some baseline information useful for future climate change assessments.
Remarks:	Full implementation will require additional resources through the Non-renewable Resource Development Strategy (NRRDS) process and the national climate change implementation strategy.

Recommendation 2:	Increase monitoring of Persistent Organic Pollutants (POPs) and heavy metals in the NWT. Work to increase awareness among northerners, fellow Canadians and the global community about the impact of these substances on our lands and peoples.
Department(s):	RWED
Response:	Heavy metals emitted to the atmosphere in the NWT are typically associated with mining activities. Cumulative air quality monitoring for selected heavy metals is currently being undertaken in Yellowknife by the Department. . The Department will seek additional funding through the Non-Renewable Resource Development Strategy (NRRDS) to expand monitoring in the Slave Province area, which is our most significant area for mining potential. In conjunction with the federal Northern Contaminants Program, the Department is monitoring POPs and heavy metals levels in barren-ground caribou herds. Aboriginal partners identified caribou as their priority for terrestrial monitoring. The Department will also continue to assist Aboriginal partners determine levels of contaminants in wildlife used for country foods.

RWED, and Department of Health and Social Services staff are also working with Aboriginal partners through the Northern Contaminants Program to increase awareness and information exchange on contaminants issues.

Remarks: Full implementation will require additional resources through the NRRDS process.

Recommendation 3: Develop regional integrated resource management plans based on a shared vision, priorities and legal obligations to Aboriginal people.

Department(s): RWED

Response: Integrated resource management is critical to ensuring that use of resources in one area minimizes impacts on, or complements use of resources in other areas. Regional integrated resource management planning is driven by regional and community priorities that are incorporated into a long term planning program with regional management organizations/governments. It is primarily a federal responsibility to provide financial resources for this work. The Department will continue to provide technical/professional support and data for this process.

Several long term community planning initiatives are underway within the limits of existing funding levels.

Recommendation 4: Consolidate and broaden the mandates of regional management boards.

Department(s): RWED

Response: The Government of the Northwest Territories recognizes the potential problems of attempting to integrate activities and direction from separate agencies with varying mandates. The extent to which this recommendation can be implemented is dependent on the cooperation of the regional management boards involved. RWED supports this approach and has maintained that all land claim/self government agreements should allow for a Mackenzie Valley approach to renewable resource management that could include the consolidation of regional renewable resource boards.

The Department is participating in the development of a Cumulative Effects Assessment and Management Framework that identifies and clarifies board responsibilities, eliminates duplication and aims to ensure coordination between governments, boards and agencies in environmental management.

The Department will continue to work with the federal government and Aboriginal groups to implement components of the framework such as a process in the Slave Geological Province to link project specific effects monitoring with regional monitoring, research and effects thresholds.

Recommendation 5:	Implement the Protected Areas Strategy.
Department(s):	RWED
Response:	The Department played a lead role in developing the Protected Areas Strategy. The Department is in the process of implementing the strategy within current budgetary limits. Although other partners provide funds for this initiative, additional resources will be sought through NRRDS to accelerate implementation and allow for a more proactive role in preparing for a Mackenzie Valley pipeline corridor. The GNWT will continue to seek federal funding to assist in this initiative. The Department will also prepare annual reports on status of ecoregion and landscape unit representation in the NWT.

Recommendation 6:	Collect baseline data necessary for cumulative impact monitoring. The data must be shared to increase the ability of communities and regions to monitor impacts.
Department(s):	RWED
Response:	The Government of the North-west Territories recognizes the importance of this data. Because of funding limitations, monitoring of selected air pollutants is currently taking place only in Fort Liard, Daring Lake, Yellowknife and at the Snare Rapids hydro site. Additional stations are required to monitor cumulative impacts from development on regional and local air quality. To better define background air quality and monitor airshed impacts, a minimum of one complete station located in each of the Mackenzie Valley regions is required prior to major development taking place. Each station should be capable of monitoring for sulphur dioxide, hydrogen sulphide, ground level ozone and particulate matter. Additional funding to bring monitoring to this level is being sought through NRRDS. Baseline data for cumulative effects assessment in the North Slave is being collected with the support of the WKSS partners. Discussions with industry, Aboriginal groups and scientists are underway to design a cumulative effects monitoring program for the Bathurst caribou herd. The Department was participating in discussions on the Mackenzie Valley Cumulative Impact Monitoring Program to help define how cumulative effects monitoring will be conducted, the valued ecosystem components, the indicators that could identify change and the thresholds. With the withdrawal of federal support for the program there is currently no process in place to help

answer these questions. The Department will continue to work with Aboriginal groups to seek renewed federal support for the Mackenzie Valley Cumulative Impact Monitoring Program.

Should additional funding become available through NRRDS , the Department will provide additional regional staff (biologists, technicians, and regional environmental monitoring staff) to support and conduct baseline research and monitoring programs in each of the Deh Cho, Sahtu, Inuvik and North Slave regions. Additional funding will also be sought to support baseline research programs, establish links to national and international monitoring programs and to coordinate GNWT input into the environmental management processes. This is intended to include work to support scientific and traditional studies in areas of pending development.

Remarks: Full implementation will require additional resources through the NRRDS process.

Recommendation 7: Increase the capacity of communities and regions to monitor impacts, with improved coordination between agencies involved and the development of new Neighbourhood Watch-type monitoring programs.

Department(s): RWED

Response: The Government of the Northwest Territories agrees that community and regional representatives need to have the capacity to monitor activities taking place on their traditional lands. The Department maintains a formal compliance program with enforcement officers but these efforts are supplemented by including the public in an informal monitoring and reporting role. This role can include reporting observed activities to enforcement officers who may take follow-up responses to these reports.

Community-based monitoring of wildlife health has been supported in Fort Good Hope and Fort Resolution through the development of training materials and community workshops.

A community-based approach to monitoring for cumulative impacts on caribou, developed for the Porcupine caribou herd, is being investigated for application in the North Slave region.

The Department is working with Aboriginal groups and communities on the Bathurst caribou range to establish a reporting system on caribou observations and information. The Department will continue with similar efforts in support of this recommendation.

Remarks: Full implementation will require additional resources through NRRDS..

Recommendation 8:	Promote and support "land" programs for young people — particularly through the schools.
Department(s):	ECE, RWED
Response:	ECE's Cultural Enhancement Program supports land-based programs for young people (e.g., cultural day camps) to learn traditional skills from elders. The program is delivered at the regional level, resulting in meaningful and responsive learning experiences relevant to local cultures. The Recreation Leaders Program, Natural Resources Technology, and other Aurora College diploma programs incorporate cultural and on-the-land components in the curriculum. ECE will continue to fund Teaching and Learning Centres; these assist schools in planning cultural activities for students. In addition, RWED helps to organize and operate the Daring Lake Science Camp, Tibbitt Lake Fire Study Camp and Fire Effects Camps in most regions. The Department will explore opportunities and seek corporate support for similar programs in the Mackenzie Valley communities.

Recommendation 9:	Where possible, regional communities should assume greater control over local resources such as forestry, tourism and business licensing.
Department(s):	RWED
Response:	The Government of the Northwest Territories is working toward implementation of this recommendation and supports the direction proposed. In regard to forestry, various mechanisms have been put in place to accomplish this. Private lands in land claim agreements, along with forest management plan development with public boards, provides more local control. Forest Management Agreements under the Forest Management Act may also assist in this area. Standards for any activities such as harvest or silviculture can be developed with regions or communities. Land claim agreements specify RWED's role in forest management, and the above must fall within what is allowed for in the agreements. Examples of progress in this area are the forest management agreements with Jean Marie River and Fort Liard, as well as Deh Cho Interim Measures. In the tourism sector, the Department and Akaitcho Dene First Nations are negotiating a tourism MOU.

Recommendation 10:	The GNWT should develop a comprehensive approach to treating and resolving addictions problems in the NWT, emphasizing education and prevention and including a family support component.
Department(s)	HSS
Response:	A strategy and action plan is being developed by the Department of Health and Social Services to improve mental health and address addictions. The Department is also exploring alternative types of treatment, recovery and healing; mobile treatment programs; children and youths initiatives; and health promotion initiatives. To carry out this recommendation, the Department anticipates it will require additional resources in the area of Early Childhood Development programs.

Recommendation 11:	Quality education and training must be provided to allow residents to make productive choices of lifestyle, jobs and residence.
Department(s)	ECE
Response:	The Department of Education, Culture and Employment supports this recommendation and is currently undertaking the following initiatives: • Funding for six regionally-based Career Centres to deliver professional counseling services, training and Income Support programming. • Occupational standards development for northern occupations to ensure quality training programs which meet employer needs (employers participate in the standards development process). • College programs that prepare learners for careers in their home communities and for mobility to locations where employment is available. • College diploma programs that meet national standards as identified through credit transfer agreements with southern colleges and universities. • The majority of northern apprenticeship programs are in Red Seal trades, which provide mobility for journey persons across Canada. The NRRDS also includes proposals to undertake increased training and development now to ensure residents have the necessary skills to take advantage of employment opportunities in the non-renewable resource sector that are expected to become available in the near future.

Recommendation 12:	The Department of Education, Culture and Employment, working with parents and stakeholders, should assess its delivery to improve the quality of education across the territory, to ensure students meet national standards.
Department(s)	ECE
Response:	Curriculum standards in the NWT are matched to those in Western Canada. ECE recently completed the Student Support Needs Assessment that will provide information on student needs and identify any existing gaps in service. ECE will begin to offer Senior Secondary courses on line in partnership with the Calgary Board of Education. This alternate delivery strategy will allow students greater flexibility in course selection. Recent results of the School Achievement Indicators Project (SAIP) indicated that NWT 16 year olds compare favorably in science knowledge with other Canadian children. In implementing the above, there are a number of constraints that limit the capacity of the GNWT to shape desirable change. These constraints include: • Funding • Mandates • Individual choice • The willingness of other players to enter into meaningful partnerships Based on public consultation through the Minister's Forum on Education, ECE is undertaking a range of activities to strengthen school program delivery ranging from actions to increase parental involvement to improving resources for courses and increasing the number of northerners employed as educators.

Recommendation 13:	Government and industry must work together to provide more direct investment in trades training and infrastructure.
Department(s)	ECE
Response:	The Department of Education, Culture and Employment has a number of initiatives underway to address this recommendation: • The Apprenticeship Training Assistance program provides wage subsidies to employers to encourage hiring of northerners in apprenticeable trades. • ECE provides funding and administrative support to the Apprenticeship, Trades and Occupations Certification Board.

- The Schools North Apprenticeship Program (SNAP) provides opportunities for high school students to learn on the job, linking schooling with experience in industry, while earning credits.
- ECE has developed a Human Resources Strategy for Non-Renewable Resource Development and an apprenticeship promotional campaign in cooperation with industry, pursuant to NRRDS.
- Aurora College currently delivers first and second year theory courses in several fields. Additional courses at the third and fourth year levels are offered as and when requested.
- ECE will look towards developing a joint initiative with the NWT Construction Association to promote apprenticeship occupations to students and employers.

NRRDS outlines areas where more could be done if increased funding were available. ECE's Human Resource Development Strategy Related to Non-Renewable Resources details the need for, and costs of, training.

Recommendation 14:	Develop a community database of job skills and business potential, and make it readily accessible to regions.
Department(s)	ECE, BUREAU OF STATS
Response:	In order to take advantage of major developments, it is essential to know what jobs are available and who may be available to fill them. ECE has developed a database for use by communities employing northerners for jobs in the oil and gas industry. This database could be modified for use by all communities looking to match residents with local jobs. ECE, the Bureau of Statistics, and HRDC are working collaboratively to develop a NWT Job Futures document that identifies occupational profiles of the top 40 occupations and the labour market trends related to these occupations. The portion of the recommendation dealing with a community database of job skills will not be undertaken at this time. Past experiences with government data bases (TERIS, ENTER) have demonstrated these databases are labour intensive, difficult and expensive to maintain and keep current, and do not necessarily accurately reflect the skills that people report in the absence of a professional assessment when the information is being compiled. The database may impede rather than facilitate their requirements if it is not current or accurate.

Recommendation 15:	Develop a long-range NWT labour force plan, linked to economic opportunities.

Department(s)	ECE, RWED, STATS BUREAU
Response:	In relation to labour force development, the GNWT, with ECE as lead, will develop a NWT Literacy Strategy, based on Motion 6-3(14) of the Legislative Assembly. ECE has developed job profiles for the oil and gas industry, the secondary diamond and security industry at the request of industry. ECE is working with the Bureau of Statistics to develop a planning document for administrators, community governments, and others that lays out issues and trends related to specific NWT populations and economic sectors. The document will be useful for policy and program development as well as for establishing labour market priorities. The 1997 Labour Force Development Plan will be updated in 2000/01 to reflect current economic, social and political conditions. As in the past, ECE will work closely with RWED, MACA and other affected GNWT departments to prepare the document. There will be a consultation component involving Aboriginal Human Resource Development Agreement (AHRDA) groups and private sector employers. Cabinet will also consider adding a new priority to the existing four – maximizing northern employment. ECE will have the lead and will coordinate the development of the priority through departmental business plans. The 2001-02 business plan will incorporate elements to support the development of the labour force in the nonrenewable resource sectors of the economy. Development of a labour exchange component to the NorthWin Website is also underway.

Recommendation 16:	Develop a program to encourage and facilitate inter-regional mobility, linking skills to job opportunities.
Department(s)	ECE, RWED
Response:	Through the development of current local labour market products and resources (e.g. NorthWin Website) and career counseling efforts of the Career Centres, northerners are given clear information about where jobs are located and financial support such as Income Support and Employment Insurance, available for relocation. Expected job creation from oil and gas and further mineral developments makes this service even more essential. The government's emphasis will be on matching skills to employment opportunities and improving those skills through accessible training programs. The competition for low-skilled jobs in larger centres is high. If people move from small communities to larger centres without adequate skills, they no

longer have the support systems or sense of community that allowed them to engage productively in their home communities.

Recommendation 17:	The GNWT should review its rental programs, social assistance policy, taxes and other fees to remove disincentives to employment.
Department(s)	NWTHC, HSS, ECE
Response:	The Government of the Northwest Territories recognizes the importance of employment to individual and community health and well-being, and that programs over the years have introduced disincentives to employment. The Department of Education, Culture and Employment completed a redesign of the Income Support Program in 1997 that removed disincentives and promoted work. ECE and NWTHC have been working cooperatively during the past two years to develop a common policy framework that will harmonize GNWT provisions to social assistance and public housing recipients and remove disincentives to employment. The policies and operations will be intended to treat all families in an equitable manner and to remove the perception that the rent scale is a work disincentive. The objective will be to encourage self-sufficiency and reduce inequity in rental rates for social assistance recipients living in public housing and other low-income tenants who pay a percentage of their total assessed income for rent.

Recommendation 18:	Establish an on-the-job leadership training program to meet our short and long-term needs for leaders.
Department(s):	ECE
Response:	In cooperation with MACA, ECE has assisted in the development of occupational profiles for positions that will build capacity at the community level. Profiles are now developed for a number of management and leadership positions. In addition, ECE is developing a certification process that recognizes competence on the job. ECE and Aurora College cooperate with MACA in the operation of the MACA School of Community Governance that offers a wide range of management and leadership programs. ECE also offers leadership training for school educators. The IGF tripartite group of elected leaders representing Aboriginal, territorial and federal governments has established an officials working group on capacity building to make recommendations to leaders on capacity building in the Northwest Territories. An important component of this discussion is increasing leadership capacity for all governments in the Northwest Territories.

Recommendation 19:	The various delivery agents should coordinate their training programs.
Department(s):	ECE
Response:	Through the Labour Market Development Agreement, ECE now has better articulated, more streamlined arrangements with the federal government, including co-location of service delivery through the Canada/NWT Service Centre in Yellowknife. Responsibility for training unemployed adults has also been devolved from HRDC to the GNWT. At the same time HRDC funds Aboriginal Human Resource Development Agreement organizations with a significant overlap with ECE client groups. ECE engages Aurora College in an annual program and services planning process to ensure that the delivery of College programs meet career training and labour market skill development requirements. ECE and Aurora College provide funding to third parties such as community groups and employers to fill short-term training gaps in existing labour market/educational programming. Every effort is made at the regional level, sometimes through formal committees and sometimes more informally, to coordinate program and training delivery with AHRDA groups. Coordination of training activities with HRDC and the AHRDA groups is not a process wholly within the control of GNWT departments.

Recommendation 20:	Development of a clear regional development strategy. The strategy should be developed with participation of GNWT, Aboriginal, and municipal governments.
Department(s)	MACA, EXECUTIVE
Response:	MACA is amending existing municipal legislation and advancing a proposal for Dogrib Self-government legislation that will provide municipalities with new authorities in the area of regional development. New regional governments established under self-government negotiations should also contribute to the success of this initiative. MACA is concerned in particular about areas in which resource development is outpacing the ability of MACA and local community governments to support such growth without further resources. MACA has requested funds to assist in developing plans in areas where resource development is expected to cause rapid growth. Also in support of this recommendation, the Department of Executive is undertaking a review of the GNWT's regional organization to determine: • How regions can best be structured to ensure consistent and efficient program delivery throughout the new NWT.

- How regional operations can best contribute to community and regional based capacity building.
- Opportunities to enhance communications within regions and between the regions and headquarters operations.
- How regional structures can best prepare the GNWT and Aboriginal governments for the transfer of authorities and programs through self-government and land claim agreements.

Recommendation 21:	Support and maintain the subsistence economy.
Department(s):	RWED
Response:	The department will continue to work closely with communities and Aboriginal governments in support and maintenance of the traditional economy. All programs offered by the Department in support of the traditional economy will be reviewed with the objectives of providing better definition of the sectors, streamlining program delivery and developing an evaluation and reporting mechanism. The report on program support for the traditional economy is to be completed in the fall, 2000. Consultation with stakeholders will take place throughout the process. Implementation of the redesigned program is planned for 2001/02.

Recommendation 22:	Develop clear and consistent ways of measuring community well-being. These measures should recognize both the social and economic aspects, including the costs and the benefits of community progress.
Department(s)	HSS, MACA, RWED
Response:	Community well-being is an essential element of a healthy economy, and healthy individuals. The Mackenzie Valley Development Planning Community Impacts working group has undertaken work towards addressing this recommendation. From a health perspective, implementing this recommendation would require a complete overhaul of the current data collection system. As outlined in the Non-renewable Resource Development Strategy, "The current systems of data collection were designed for administrative and not monitoring purposes. While the systems have changed over the years, they were never designed to capture the information now being requested." Given this lack of capacity, there are insufficient resources to carry out this recommendation. Within these parameters, however, the development of a clear and understandable measurement tool for community well-being has been underway for some time through MACA. RWED is currently working with The National Round Table on the Environment and the Economy to develop indicators of sustainable development. The traditional economy is a valuable component of community

well-being. RWED will work with MACA and HSS to ensure this important element is considered in community well-being measures.

Recommendation 23:	Transportation and communications systems between communities must be expanded and upgraded. Expansion is also necessary to support economic development.
Department(s)	DOT – for transportation, PWS – for communications
Response:	Transportation and communications are critical to development of our economy. This infrastructure serves to lower costs for existing businesses and attract investors by making opportunities more accessible while lowering costs. The Government of the Northwest Territories recognizes the importance of this recommendation and is or will undertake the following actions:

Communications:

PWS anticipates that communications systems in and between communities will soon be undergoing expansion and upgrading. By November 2000, the GNWT can expect the Canada Radio and Telecommunications Commission (CRTC) decision on the recently concluded decision to the High Cost Serving Area proceeding. Part of the proceeding called for NorthwesTel to design a proposed four-year System Improvement Plan (SIP) that would be expected, if implemented, to provide its operating area with the same general level of communications services that are commonly available in Southern Canada. Furthermore, it is expected that some form of national subsidy fund would be implemented to assist Northerners in accessing these increased services at a cost much closer to those being enjoyed by other Canadians. NorthwesTel's proposed SIP includes a $76 million capital upgrade to their infrastructure across the North.

Currently, the GNWT continues to be the major customer of Ardicom's Digital Communications Network (DCN). Overall government use of this network continues to increase, as more and more technologies are used in GNWT offices and facilities (e.g. offices, schools, nursing stations, hospitals) in all communities. Although the DCN is now experiencing growing pains in that usage exceeds bandwidth capacity, the GNWT is actively involved in:

- analyzing GNWT traffic to confirm its legitimacy;
- preparing to prioritize traffic, if necessary; and
- determining if additional DCN capacity will be necessary in the future.

Because the DCN has circuits terminating in all communities, the facilities already exist for high-speed connectivity between communities and to the Internet. However, non-government access to the DCN is currently very expensive.

As well, the GNWT will continue to refine practices and procedures used by departments in utilizing these facilities. As long as the DCN interconnects northern communities, each community will have the connectivity it needs to be involved in the electronic world.

Transportation:

The following addresses the transportation aspects of the above recommendation. These comments also apply to recommendations 23, 24, and 25.

With existing budget levels, the Department of Transportation will:

- continue to operate and maintain its existing transportation infrastructure to a high degree of safety and at a level of service commensurate with the volume and type of traffic served.
- be able to attend to selective needs on Highways 1, 3, 4, 7 and 8. The Department also plans to continue building bridges on stream crossings on the Mackenzie Valley winter road for the purpose of extending its season.

In order to enhance existing funding levels, the GNWT will be lobbying the federal government to fulfill its responsibilities for new roads in the NWT, by pointing out that all-weather corridors, such as the one from Wrigley to Tuktoyaktuk, are essential if the communities are to realize the full potential of oil and gas developments. In addition, federal funding will also be required to effectively deal with the impact of traffic generated by oil and gas developments on the Mackenzie, Liard and Dempster highways; and the impact of mineral developments on Highways 1 and 3 (Yellowknife Highway) and Highway 4 (Ingraham Trail).

The Department of Transportation will also be lobbying Transport Canada for an equitable share of the federal $600 million national highway/transportation infrastructure program, for acceleration of construction on Highway 3 between Rae and Yellowknife.

Recommendation 24:	Upgrade the structural capacity of existing highways and improve surfacing to accommodate industry traffic and improve safety for residents. Funding should be accessed through the National Highway Program, which is responsible for connecting provincial and territorial capitals.
Department(s):	DOT
Response:	See response to Recommendation 23.

Recommendation 25:	Improve the surface of other NWT highways not included in the National Highway Program, extend the system and improve its safety.

Department(s): DOT

Response: See response to Recommendation 23.

In terms of road access, 84 percent of the NWT population (in 17 communities) is served by 2,200 km of all-weather roads, and an additional 13 percent (in 10 communities) by 1,300 km of annual winter roads. Only 3 percent of the population (in 6 communities) do not have all-weather or annual winter road access. Of the latter six communities, two (Colville Lake and Snare Lake) are served by "resupply" winter roads on a periodic basis. Colville Lake's road will be upgraded to winter access this winter, pending land use approval. Since Holman and Sachs Harbour are situated on islands, there are only two mainland communities (Lutsel'ke and Paulatuk) without land access. As well, the entire NWT population (in 33 communities) has access to an airport in their community or within reasonable driving distance.

The main initiatives underway are listed below:

- As its highest priority, the Department of Transportation operates and maintains its existing transportation facilities to a high degree of safety, and a level of service commensurate with the volume and type of traffic being served.
- Within the limited capital budgets available, the Department of Transportation has and is making improvements in safety, structural capacity and surface condition of the most deficient sections on the following highways:

  - Highway 1 and 3 route from the Alberta Border to Yellowknife (the National Highway System segment in the NWT)

  - Highway 4 (Ingraham Trail)

  - Highway 7 (Liard Highway)

  - Highway 8 (Dempster Highway)
- During the last two years, the Department of Transportation invested $2 million on the planning, engineering, economic impact and environmental studies related to the Mackenzie Valley Corridor from Wrigley to Tuktoyaktuk, the Slave Geologic Province Corridor and the feasibility of accelerating the reconstruction and paving of Highway 3 between Rae and Yellowknife.
- Along with other provinces and territories, the Department of Transportation was instrumental in persuading the federal government to accept its responsibility for the National Highway System. In the February 2000 federal budget, a $600 million national highway/transportation infrastructure program was announced. The federal dollars will be spread over four years, 2002/03 to 2005/06, and will be matched by the provinces and territories.

Recommendation 26:	Develop a Mackenzie transportation corridor that includes pipeline development.
Department(s):	DOT
Response:	Under the Highway Strategy initiative, the Department of Transportation has conducted the engineering, planning and environmental studies required. Financing is the major unresolved issue. Since new roads in the NWT are still a federal responsibility, the GNWT has included the Mackenzie Valley Road corridor as a priority in the Non-Renewable Resource Development Strategy submitted to the federal government for consideration. In discussions with the oil and gas industry, GNWT staff have indicated that the construction of a road and pipeline together would produce economies of scale for both the pipeline and road projects.

Recommendation 27:	The GNWT should promote partnerships in development of transportation infrastructure based on costs and benefits to governments and industry for the projects in question.
Department(s):	DOT
Response:	The Department of Transportation will continue its efforts to forge partnerships with mining and oil and gas industries to work collaboratively on improving the level of service on the Mackenzie and Lupin winter roads, and to find ways of advancing the cause of the all-weather road from Wrigley to Tuktoyaktuk.

Recommendation 28:	Improve winter road access to isolated communities and resource areas through improvements that would extend seasonal use.
Department(s):	DOT
Response:	During the last several years, the Department of Transportation has been building permanent bridges on stream crossings on the Mackenzie Valley winter road, with a view to extending the length of the road season. The Department has made a commitment to build seven permanent bridges over a 5-year period. The Government has committed $970,000 for the current year to undertake preparatory work needed. These bridges will help extend use of winter roads by approximately 3 weeks The Department has also made a commitment to extend a winter road to Colville Lake. Construction should begin in January, 2000, given the necessary regulatory approvals. The funding commitment for the Colville Lake winter road is over $650,000 over three years.

These initiatives will facilitate resupply to the community and improve inter-community travel. In addition, two exploration licenses have recently been issued in the Colville Lake area. A winter road into the area will support and enhance exploration activities.

Both these initiatives also support recommendation #51 and the NRRDS developed from it. The GNWT is aggressively pursuing federal funding for this initiative through NRRDS but made the above initial commitment to ensure the necessary design and environmental permitting work will be in place if additional funding becomes available.

Recommendation 29:	Improve and expand access to Internet and telecommunications services for all communities.
Department(s):	PWS, MACA
Response:	In a recent CRTC proceeding in which PWS was actively involved, the Commission ruled that basic telephone service must now include toll-free access to the Internet from any community. Northwestel's System Improvement Program (SIP) includes proposed designs that, in their opinion, will enable adherence to this ruling. The forthcoming November 2000 CRTC decision on the High Cost Serving Area proceeding will include the Commission's comments on the appropriateness of Northwestel's design and costing for the Internet access solution. MACA has its own related program, the Wire North initiative, which is already actively geared to the eventual "wiring" of all NWT communities. Activities include identifying funding (including from federal programs), training and initiation of community residents in Internet-related concepts and procedures, and acquiring, installing, and supporting limited amounts of communications equipment. PWS supports MACA's Wire North initiative. PWS, with its networking expertise, has provided some limited assistance to MACA in the past by providing consultative services related to networking communities. Such assistance is still available, should MACA request it.

Recommendation 30:	Government and industry should investigate the development of a tourism authority responsible for a NWT-wide image, marketing and overall operational authority for tourism.
Department(s):	RWED
Response:	The Department will work with industry to undertake this evaluation. The evaluation will include a review of the current situation and levels of satisfaction by various stakeholders, and will include a review of recent changes in how tourism is being delivered in other jurisdictions in Canada.

Recommendation 31:	Provide the authority with adequate funding for marketing and incentives for product development. Government should also undertake direct investment to improve tourism infrastructure.
Department(s):	RWED
Response:	The Government of the Northwest Territories recognizes tourism as an important sector that will help diversify our economy. A NWT draft tourism strategy, aimed at realizing this potential, has been developed and widely circulated for input from industry. The strategy addresses many of the initiatives needed to revive the tourism industry. The strategy proposes a budget in the amount of $1.2 million that may be raised through the introduction of a hotel tax in support of this initiative.

Recommendation 32:	Appropriate regulatory functions be devolved to claims-based regional authorities to oversee tourism products and services, in keeping with the trend to self-government.
Department(s):	RWED
Response:	The Department supports the management of appropriate regulatory functions through regional authorities. Towards this end, for example, negotiations on an MOU on tourism licensing are currently underway with the Akaitcho Dene First Nations.

Recommendation 33:	The Business Incentive Policy must be completely revised. It should focus on project-specific benefits rather than licensing.
Department(s):	RWED
Response:	A procurement audit is underway and a task team has been formed to review BIP and all aspects of government procurement. Public consultation will be part of the process and should take place early in 2001. A revised strategy is targeted for April, 2001.

Recommendation 34:	Develop a policy on use of negotiated contracts to ensure broadly based training and employment benefits.
Department(s):	EXECUTIVE, FMBS
Response:	Work is underway to develop such a policy, linked to the initiative in response to recommendations 33 and 36. The use of negotiated contracts must be carefully monitored to ensure that quantifiable benefits accrue.

Recommendation 35:	Barriers to inter-regional commerce and trade must be eliminated at all levels of government.
Department(s):	RWED
Response:	The GNWT promotes development in all regions. The Common Ground strategy process was a first step in identifying the need for, and benefits of, breaking down barriers between government and industry, and regionally-based Aboriginal governments. The GNWT will work with the Intergovernmental Forum to continue to promote this and related issues.

Recommendation 36:	GNWT contracts should be made public with sufficient lead time to allow for local bids.
Department(s):	FMBS, PWS, NWTHC
Response:	The GNWT has undertaken a large-scale audit of procurement practices within the government. Part of that review has been to explore best practices in other jurisdictions, to see where GNWT policies and practices can be made more transparent, accountable and responsive.

The GNWT plans on implementing improved contracting policies and practices that will address issues such as optimum public tender practices and negotiated contracts within the next fiscal year.

Recommendation 37:	Financial assistance and business advisors must work together to streamline access to lending programs and services. Public and private providers, including banks, need to cooperate.
Department(s):	RWED
Response:	A committee made up of representatives of Community Futures, Business Credit Corporation, the NWT Development Corporation and RWED will be reviewing the possible consolidation of financial assistance programs. The committee will solicit input regarding what changes would best meet northern business needs. The committee will report to the Minister in April, 2000. Recommendations are to be implemented by 2002.

Recommendation 38:	Programs should be available on a regional basis and be responsive to regional circumstances. Programs should also be reviewed to ensure they are consistent with new, regionalized delivery methods.
Department(s):	RWED
Response:	Business program delivery responsibility has been transferred to communities through initiatives such as Economic Development Officer transfers, and to regions through the Community Futures program. The contracts and guidelines manuals for these initiatives allow for substantial flexibility in regionalized delivery while maintaining basic criteria for program accessibility. These criteria involve either critical business principles, or minimum government accountability standards. The review being undertaken as per recommendation 37 will also ensure regional delivery considerations are a key part of any recommended consolidation.

Recommendation 39:	Increased risk capital must be available to meet regional lending requirements.
Department(s):	RWED
Response:	The Department of Finance Risk Capital Investment Tax Credit program was designed to help address this problem, but other avenues continually need to be explored. RWED, through the Non-Renewable Resource Development Strategy, will continue to lobby the federal government for increased funding in this area to

ensure businesses can obtain the necessary capital to meet economic growth needs.

Recommendation 40:	The GNWT must eliminate the payroll tax.
Department(s):	FINANCE
Response:	The GNWT reviews each of its tax revenue sources annually. For 2000-2001, the payroll tax is forecast to total $8.8 million. In 1999-2000, the payroll tax amounted to $8.9 million. The payroll tax is an important source of revenue for the GNWT. In comparative terms, the payroll tax will on average bring in approximately as much revenue as either the tobacco tax, fuel tax or the combined sum of property taxes and school levies. While it is recognized that the payroll tax, as with all taxes, imposes a cost on businesses and others who have to collect it for government, the revenue from the tax is needed by the government to finance needed programs. In addition, the payroll tax is one of the few ways we have of taxing non-residents who work in the NWT. Revenue from the Payroll Tax helps fund the NWT Cost of Living tax credit, for which NWT residents are eligible. The Department of Finance will review all sources of revenue, including the payroll tax, in preparation for the 2001 Budget.

Recommendation 41:	Government should work with industry to develop a manufacturing strategy that addresses marketing, research and development for the sector. The sector should encompass a broad range of value-added activity and include an export development component.
Department(s):	RWED
Response:	RWED's Business Development Fund and BCC loans programs are geared to address manufacturing since the sector is labour intensive. Program criteria thus give manufacturing projects high priority. The BIP and procurement review and the review of business assistance programs referred to in response to recommendation 37, will also deal with possible actions to assist this sector.

Recommendation 42:	Government, in consultation with land claimant and regional Aboriginal groups and communities, must review regulatory requirements towards: - Improving access and tenure; - Setting stumpage fees that encourage development while ensuring forest renewal; - Securing long-term tenure; - Setting clear management standards for sustainable use of our forests; and - Completing the Sustainable Forest Policy.
Department(s):	RWED
Response:	Review of the Forest Management Act and Regulations, as well as the development of a Forest Management Policy is currently underway and will address this important recommendation.. Issues that will be dealt with include: • Improving access and tenure; • Setting stumpage fees that encourage development while ensuring forest renewal; • Securing longer-term tenure; and • Setting clear management standards for sustainable use of our forests. A new policy should be in place by 2002, and amendments to the Act and Regulations should be in place the following year.
Remarks:	Full implementation will require additional resources through the NRRDS process.

Recommendation 43:	Resource inventories should be completed, focussing on those areas with economic potential.
Department(s):	RWED
Response:	Forest inventory is an ongoing process for any given land area. Current detailed inventory work is focussed on those land areas with economic potential. Broader vegetation classification work for the total forest land area is nearing completion. A five-year work plan has been prepared by the Department to outline the work to be done.

Recommendation 44:	Regulations may be necessary for managing the non-timber uses of forest resources, particularly in light of morel mushroom potential.
Department(s):	RWED
Response:	Discussions on this issue have begun as a result of the review of the Wildlife Act and will continue with review of forest legislation and policies. It is expected that changes to legislation will address this issue.

Recommendation 45:	Local use of agricultural products should be encouraged and supported. Public institutions and agencies should be encouraged to use local produce through development of a GNWT procurement policy.
Department(s):	RWED
Response:	The Department will work with the agricultural industry to develop a NWT-wide strategy to support a northern agricultural industry.

Recommendation 46:	Develop a more coordinated approach to (arts and crafts) training, raw material supply, product development and marketing. The various delivery agencies should work toward a more common approach and focus support in areas where it is most needed.
Department(s):	RWED, ECE
Response:	An intergovernmental working group is examining the arts and crafts and cultural industries sector towards developing a strategy by April, 2001.
Remarks:	Full implementation will require additional resources through the NRRDS process.

Recommendation 47:	Develop partnerships between the GNWT and Aboriginal governments and the federal government to: • Reduce duplication and better coordinate continued support where it is needed most; • Improve support for full-time harvesters;

- Support value-added processing of wildlife harvests;
- Promote local products to replace imports; and
- Ensure training for young people

Department(s): RWED

Response: The Government of the Northwest Territories recognizes the cultural and economic significance of the traditional economy. The RWED Sustainable Development Policy – Commercial Renewable Resource Development Implementation Plan and programs in support of the traditional economy are specific programs in support of this recommendation. The intent of the programs includes:

- reduce duplication and better coordinate continued support where it is needed most;
- improve support for full-time harvesters;
- support value-added processing of wildlife harvests;
- promote local products to replace imports; and
- ensure training for young people.

Recommendation 48: Improve the measurement of total economic values of the traditional economy.

Department(s): RWED

Response: Pursuant to our ongoing commitment to this sector, the Department is undertaking the following initiatives:

Trapping: RWED tracks the commercial auction value of NWT fur on an annual basis.

Country food: The last comprehensive assessment of the economic value of country food in the NWT was done by Renewable Resources in 1994 for the 1990/91 year. The harvest data on which these valuations were based were numerous regional harvest studies ongoing in 1990/91. With one exception, these studies ended shortly thereafter. With recent land claim settlements, new harvest studies are now ongoing and harvest data is once again becoming available. The Inuvialuit Harvest Data for 1988-1997 has been reworked to provide estimated harvest and RWED is planning to estimate country food replacement values for this data.

It is anticipated that programs in support of the traditional economy will incorporate reporting requirements that will improve the information available to determine values. Once these programs are implemented, information will be collated and reports prepared annually.

Recommendation 49:	Expand baseline data on ecosystems, wildlife, and sustainable harvest levels.
Department(s):	RWED
Response:	Available baseline data for ecosystem management, area protection, wildlife management and environmental assessment, has increased over the past 10 years mainly as a result of resources made available for the implementation of land claim agreements (Inuvialuit, Gwich'in and Sahtu settlement areas) and in response to data gaps identified during environmental assessments such as WKSS. However, the availability of data and the capacity in government to acquire the data, particularly with respect to cumulative effects, has not kept pace with demand for data. The Department will pursue federal funding through NRRDS and partnership funding from industry to support scientific and traditional knowledge studies in areas of pending development. The Department will also use a partnership approach with government, Aboriginal governments and groups, industry and the public for the identification of priority baseline data needs for impact assessment and cumulative effects monitoring.

Recommendation 50:	The federal government must devolve resource management responsibility and authority and provide for resource revenue sharing to the GNWT and Aboriginal governments.
Department(s):	INTERGOVERNMENTAL FORUM SEC (IGF), RWED
Response:	These issues were identified as priorities during the Intergovernmental Forum meeting in Hay River on May 5, 2000. Leaders established a tripartite officials' working group to report back to leaders at the next IGF meeting. The GNWT is committed to pursuing these negotiations through the Intergovernmental Forum process.

Recommendation 51:	The Government of the Northwest Territories should work with the federal and Aboriginal governments to develop a Non-renewable Resource Development Strategy. Overall, the strategy should address the need to attract and retain investment, manage development and maximize northern benefits.
Recommendation 51.1	Attracting and retaining investment: • Government should increase geological mapping programs to bring NWT mapping to at least national levels;

- Clearly define consultation requirements with whom and how extensive;
- Provide clear guidelines for negotiation of impact benefits agreements and socio-economic agreements;
- Clarify environmental standards for developers;
- Define northern value-added and northern benefits expected of developers;
- Improve access to land by ensuring there is a process for clear definition of what lands are available, under what terms, with reference to the Protected Areas Strategy;
- Define infrastructure improvements that will facilitate investment;
- Provide incentives to encourage exploration;
- Promote development to potential investors.

Recommendation 51.2 To better manage development:

- Improved environmental baseline and traditional knowledge data;
- Identifying a process for streamlining existing regulatory procedures;
- Establish a new management regime, post-devolution, including monitoring of environmental development initiative in the Northwest Territories.

Recommendation 51.3 To maximize benefits to Northwest Territories residents:

- Support at the community level for families of rotational workers;
- Programs to provide for transport to rotational job sites;
- Tax and royalty regimes to encourage investment while maximizing benefits for NWT residents;
- Promote equity participation by Northwest Territories residents;
- Create a NWT fund, from future resource revenues, to assist in diversification of the NWT economy.

Departments: FMBS, RWED

Response: The GNWT has developed a draft Non-renewable Resource Development Strategy (NRRDS) as the basis for discussion and consultation with the federal government, Aboriginal governments and other stakeholders. The NRRDS was developed based on early drafts of the Common Ground strategy and thus addresses this recommendation and the sub-recommendations within it.

The Non-Renewable Resource Strategy will provide the focus to address outstanding issues within the sector and the immediate, specific needs for additional investment; in the short term to address development and training needs, and the long term for greater self-sufficiency. The requested funding

increase is based on resource revenues currently flowing to the federal government.

The GNWT has finalized the NRRDS based on stakeholder input and continues to aggressively pursue the federal investment regarding devolution and funding elements. The GNWT will work through the Intergovernmental Forum to ensure the intent of this recommendation and recommendation 54 is actively pursued.

Recommendation 52:	Benefits from resource development should accrue to all Northwest Territories residents while recognizing the primacy of specific existing and future land claim obligations.
Department(s):	FMBS, RWED, FINANCE, EXECUTIVE
Response:	The Government of the Northwest Territories supports this approach. The Non-renewable Resource Development Strategy was developed to ensure all Northwest Territories residents benefit, while recognizing the primacy of specific existing and future land claim obligations.

Recommendation 53:	The federal government should provide special development funding to meet the immediate demands created by resource development. Funding is needed for: training; infrastructure; and environmental baseline data collection.
Department(s):	EXECUTIVE, FMBS, RWED, ECE, DOT
Response:	As outlined in the Non-renewable Resource Development Strategy, the GNWT has supported funding for training in mining, oil and gas, and to a limited extent, environmental baseline data collection. The GNWT has made investments to the extent of its ability in infrastructure, including recent enhancements to the winter road system. The GNWT supports the intent of this recommendation and will continue to pursue increased federal investment through the NRRDS. In addition, the Intergovernmental Forum Secretariat is involved in Tripartite Officials Working Groups on Capacity Building, and Economic Development and Non-Renewable Resource Development.

Recommendation 54:	Aboriginal involvement in all phases of resource development should be supported. This would include investment in and development of those resources, resource management, revenue sharing and environmental review.
Department(s):	EXECUTIVE, RWED

Response:

The Intergovernmental Forum Tripartite Officials Working Group on Economic Development and Non-Renewable Resource Development is one process that will help to ensure Aboriginal involvement. The Aboriginal Pipeline Working Group (APG) was specifically formed and is supported by the GNWT, to examine equity participation alternatives.

The APG has developed a three-phase workplan for its first year. The GNWT and Federal Government are proposing to jointly fund the first phase of this work, resulting in the following output by March 31, 2001:

- An overall business plan for the APG that includes recommendations on the corporate and legal structure for the organization, a plan for raising the initial financing, a draft of the agreement in principle with the producers in the Mackenzie Delta and a draft outline of the pipeline proposal;
- An agreement in principle between the northern proponents;
- A regulatory strategy;
- A document that sets out the process and scope for negotiating northern benefits;
- An agreement in principle for a pipeline proposal that includes selection of a pipeline route and a draft partnership agreement.

It is expected that phases 2 and 3 will be funded by the industry partners and through project fund raising through private sector markets.

Recommendation 55: The Government of the Northwest Territories must work with Aboriginal and community governments to clarify new roles brought about by Aboriginal self-government.

Department(s): ABORIGINAL AFFAIRS, MACA

Response:

In conjunction with other departments, an *Aboriginal Self-Government in the Northwest Territories Information Kit* was produced and widely distributed. Tripartite communication plans are developed for each negotiation table to keep the general public, Aboriginal and community governments apprised of on-going developments at the negotiations and receive feedback. GNWT officials have also met with several community governments and the NWTAM to discuss self-government. These initiatives will continue. To build on them further, a consultation policy and internal communication strategies intended to ensure community governments and the general public have an the opportunity express their views on evolving self-government models, are currently under development.

MACA has been working with other departments within the GNWT for some time to develop a new legislative framework for the Dogrib area and talks with the Beaufort-Delta groups. In addition, MACA is working on amendments to

municipal legislation to facilitate this process. These initiatives, combined with the extensive work and time spent on the entire process have ensured that discussions continue and are progressing towards a successful conclusion for all involved parties.

Recommendation 56: The GNWT, federal and Aboriginal governments should continue to work towards devolution of direct delivery to the regional level, while enhancing centralized support, standards, and coordination functions.

Department(s): EXECUTIVE

Response: The Department of Executive is undertaking a review of the GNWT's regional organization as outlined in response to recommendation #20. In addition, the GNWT's administrative structures will be organized to ensure:

- a coordinated approach by government to regional administrative structures;
- comparable and consistent program and service arrangements between regions;
- coordinated access to GNWT programs within each region;
- stronger working relations and more cooperation between departments within all regions;
- an effective working relationship between management, elected leaders and the public at the regional level, and between regions and headquarters;
- regional institutions that have clearer responsibilities and are more clearly accountable for their activities;
- a governmental organization at the regional level that is operationally prepared for the implementation of self-government and land claims responsibilities; and
- an overall governmental organization that is "closer to the people"

Recommendation 57: The relationship of the GNWT with DIAND be redefined, including its reporting relationship with the federal government other than through DIAND.

Department(s): EXECUTIVE

Response: The GNWT has established direct contact, at both the political and bureaucratic levels with federal departments, other than DIAND. For example, the Department of Finance has the responsibility to negotiate the Formula Financing Agreement directly with Finance Canada. There are also direct relationships between for example, Transport Canada and the territorial Department of Transportation, HRDC and the federal Department of Education, Culture and Employment.

In other areas, however, federal departments such as Industry Canada rely on DIAND to provide equivalent programming, that may or may not be possible for DIAND to fulfill. The GNWT supports this recommendation and will pursue discussions through existing forums.

Recommendation 58:	The Aurora Research Institute be expanded, and be funded appropriately, to ensure a strong research and development initiative in the Northwest Territories. The Institute should: • Be a clearing house for information relevant to northern circumstances and opportunities; • Have the capability to undertake pilot projects to test new technologies; • Access existing federal and other research and development funding; • Investigate alternative energy options, especially in the use of hydro energy; and • Work with northern manufacturers in development and testing of new products.
Department(s):	ECE
Response:	Within its limited existing capacity, the Aurora Research Institute endeavors to carry out the activities identified in this recommendation. The funding required to enhance the activities of the Aurora Research Institute in the areas of basic and applied northern research is largely controlled by the federal government through initiatives like the Canada Foundation for Innovation (CFI). CFI sets funding criteria biased towards advanced basic research requiring the capacity of a large university.